

FISCAL NOTE

HB 204 - SB 989

March 12, 2001

SUMMARY OF BILL: Specifies that the registration of freight trailers, semi-trailers, and pole trailers is valid for one year and must be renewed annually. Under current law, the registration is valid for the duration of the owner's interest in the vehicle. Specifies that the registration fees collected annually from freight trailers, semi-trailers and pole trailers less administrative expenses by the Department of Safety shall be used to provide long-term home and community based care through the Commission on Aging and the Bureau of TennCare.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$32,863,250

**Increase State Expenditures - \$396,800 Recurring
\$208,900 One-Time**

Increase Local Govt. Revenues - \$1,557,000

Increase Local Govt. Expenditures* - Exceeds \$100,000

Estimate assumes:

- 70% of the 890,000 registered trailers on record would be operational and subject to paying an annual fee of \$52.75 to the state and a clerk's fee of \$2.50.
- 6 additional positions in the Department of Safety to process trailer registration renewal documents and provide phone assistance to affected motorists and county clerks with salary and benefits of \$120,000.
- a one-time increase in state expenditures for office furniture and equipment (microfilmer and microfilm reader) of \$68,100 and computer system changes of \$50,000.
- a recurring increase in expenditures for postage estimated to be \$211,800 and a one-time increase in expenditures of \$90,800 for the additional postage expense to contact all owners of registered trailers on record in the first year .
- an increase in state expenditures for office supplies, registration decals, and renewal forms of \$65,000.
- an increase in local government expenditures estimated to exceed \$100,000 for administrative costs to clerks to handle the trailer registrations.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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